

FUND 502

COUNTY CENTRAL STORES

Board of Supervisors' Adjustments

The following funding adjustments reflect all changes to the FY 2001 Advertised Budget Plan, as approved by the Board of Supervisors on April 24, 2000:

- The Board of Supervisors made no changes to the FY 2001 Advertised Budget Plan.

The following funding adjustments reflect all approved changes to the FY 2000 Revised Budget Plan from January 1, 2000 through April 17, 2000. Included are all adjustments made as part of the FY 2000 Third Quarter Review:

- An increase of \$160,139 in revenues and expenditures was based on an increase in the volume of items that agencies are purchasing through Central Stores instead of placing direct orders to vendors.
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County Executive Proposed FY 2001 Advertised Budget Plan



Agency Overview

Fund 502, County Central Stores, is managed by the Department of Purchasing and Supply Management and is used to finance the central acquisition of supply and equipment items to be sold to County agencies. The centralized procurement of supplies and equipment allows for savings based on bulk purchases, rapid issue to requesting agencies, improved customer delivery response, and reduced procurement costs. This fund operates as a quasi-revolving fund, requiring an annual appropriation. Expenditures are recovered through sales of supplies and equipment to County agencies.

County Central Stores maintains an inventory of approximately 950 stock items commonly used by County agencies. The majority of these items are in support of the Fire and Rescue Department, the Health Department, and Park Authority activities. Through the use of updated technology, "just-in-time" management techniques provide for reduced stock requirements, quick and efficient response to customer needs, and provision of items solely as they are needed.

In FY 2001, Fund 502, County Central Stores, will no longer provide the funding mechanism for office supplies purchased under the centralized vendor contract. As a result, an estimated \$2.5 million is removed from the fund's revenue and expenditure levels in FY 2001. County agencies will now order directly from vendors who will then remit invoices to be paid directly by the purchasing agency. Prior to this conversion, Fund 502, County Central Stores, would receive all invoices, pay the vendor, and then bill the agency whose payment reimbursed the fund. This conversion will not alter the current customer-friendly process of ordering office supplies from the centralized vendor contract, but it will provide a more efficient mode of invoice processing and payment. The County participates in the National Association of Counties sponsored systems contract for office supplies. This enormously successful contract provides an unprecedented level of customer services and value through ease of ordering, quick delivery, and significant discounts.

In FY 2001, overall purchases through Fund 502, County Central Stores, are anticipated to be \$1,251,534, a decrease of 58.2 percent from the *FY 2000 Revised Budget Plan*. This decrease is due to the implementation of a direct agency payment method of ordering office supplies under centralized vendor contract. A corresponding reduction in revenues is also necessary, with a net impact of \$0 to the FY 2001 ending fund balance.

FUND 502

COUNTY CENTRAL STORES



Funding Adjustments

The following funding adjustments reflect all approved changes to the FY 2000 Revised Budget Plan since the passage of the FY 2000 Adopted Budget Plan. Included are all adjustments made as part of the FY 1999 Carryover Review and all other approved changes through December 31, 1999.

- As part of the FY 1999 Carryover Review, \$54,110 was added due to encumbered carryover for inventory replenishment purchase orders.

FUND 502 COUNTY CENTRAL STORES

FUND STATEMENT

Fund Type G50, Internal Service Funds

Fund 502, County Central Stores

	FY 1999 Actual	FY 2000 Adopted Budget Plan	FY 2000 Revised Budget Plan	FY 2001 Advertised Budget Plan	FY 2001 Adopted Budget Plan
Beginning Balance¹	\$537,640	\$537,640	\$466,025	\$466,025	\$466,025
Revenue:					
Sales to County Agencies	\$3,334,809	\$2,942,253	\$3,156,502	\$1,251,534	\$1,251,534
Total Revenue	\$3,334,809	\$2,942,253	\$3,156,502	\$1,251,534	\$1,251,534
Total Available	\$3,872,449	\$3,479,893	\$3,622,527	\$1,717,559	\$1,717,559
Expenditures:					
Purchase for Resale	\$3,406,424	\$2,942,253	\$3,156,502	\$1,251,534	\$1,251,534
Total Expenditures	\$3,406,424	\$2,942,253	\$3,156,502	\$1,251,534	\$1,251,534
Total Disbursements	\$3,406,424	\$2,942,253	\$3,156,502	\$1,251,534	\$1,251,534
Ending Balance¹	\$466,025	\$537,640	\$466,025	\$466,025	\$466,025

¹ The Beginning and Ending fund balance is reserved for inventory and represents goods to be sold.